

**GOVERNMENT OF ANDHRA PRADESH**  
**ABSTRACT**

Marketing Department – Andhra Pradesh (Agricultural Produce and Livestock Markets Act, 1966 – Issue of Commission Agents Licenses –Revised guidelines- Order – Issued.

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**AGRICULTURE AND COOPERATION (AM.IV) DEPARTMENT**

**Go.Ms.No.** 260

**Dated: 28-09-2010.**

**Read the following:-**

1. Go.Ms.No. 1178, Food & Agril. (Mktg.), Deptt., dated 11.09.1992.
2. Go.Ms.No. 190, A&C(Mktg.I) Deptt., dated 6-4-1994.
3. Guidelines issued in Govt. Memo.No. 6618/AM.IV/2010, dated 31-5-2010.
4. From the Commissioner & Director of Agril. Marketing, A.P. Hyderabad,  
Lr.No.S.II(1)2226/2009, Dt. 11-05-2010.

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**ORDER:-**

In the reference 2<sup>nd</sup> read above orders were issued for issue of the Licenses to commission agents. Subsequently, during the review meeting with the Hon'ble Minister for Marketing it was observed that the Agricultural market Committees are issuing licenses indiscriminately for doing commission agent business in the regulated Market Yards, without examining the necessity and demand. since the volume of business is increasing in the regulated markets every year, Government felt that it is necessary to issue new commission agent licenses in regulated markets where there is demand as per volume of trade ,to increase competitiveness in the trade in the interest of farmers., and also to streamline the issue of licenses to commission agents duly categorizing the regulated markets into A,B and C depending on the volume of the trade.

2 Government after careful examination hereby issue the following notification and will be published in the extraordinary issue of the Andhra Pradesh Gazette dated 27<sup>th</sup> September 2010.

**NOTIFICATION**

In exercise of the powers conferred by section 32 of the Andhra Pradesh (Agricultural Produce and Livestock ) Markets Act, 1966 (Act 16 of 1966), and in supersession of the orders issued in G.O.Ms.No. 190, Agril. &Cooperation (Mktg.I) Department, dated the 6<sup>th</sup> April 1994 the Governor of Andhra Pradesh hereby directs that in Agricultural Market Committees, the following guidelines shall be followed for issue of licenses to commission agents and for their functioning as Commission Agents.

1. The market committees shall consider issuing of fresh commission agent licenses only in case if sufficient space/shops are available in the market yard to conduct transactions.

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2. The licenses without doing business for 2 years shall not be renewed and the same shall be cancelled.
3. ***The Market committees shall be categorized as follows for the purpose of these guidelines:-***

**(a) “A” Grade Markets**

- The Market Committees having Market Fee not less than Rs. 3 Crores shall be treated as A grade market.

**(b) “B” Grade Markets**

- The Market committees having market fee of not less than Rs.55 Lakhs and not more than Rs.3 crores, shall be treated as B grade market.

**( C ) “C” Grade Markets**

- The Market committees having market fee of less than Rs. 55 Lakhs shall be treated as C grade Market.

**4. CONDITIONS FOR ISSUE OF NEW LICENSES**

- (a) The applicant who desires to obtain a Commission Agent license shall deposit the following amounts with the market committee, as Security Deposit.

For “A” Grade AMCs	-	Rs.2.50 Lakhs
For “B” Grade AMCs	-	Rs.1.50 Lakhs
For “C” Grade AMCs	-	Rs.1.00 Lakh

- (b) In addition the applicant should submit a document as a proof of having financial soundness, as such, the applicant shall mortgage an equal amount worth of property to the Market Committee concerned or provide a Bank Guarantee of equal amount from any Nationalized Bank as Collateral Security as detailed below:

For “A” Grade AMCs	-	Rs.15.00 Lakhs
For “B” Grade AMCs	-	Rs.5.00 Lakhs
For “C” Grade AMCs	-	Rs.2.00 Lakhs

- (c) The applicant should submit a proof of identity like voter card, passport, driving license, ration card and Pan Card along with 3 No. of latest pass port size photos.
- (d) The applicant should submit an affidavit stating the he would not claim or demand for allotment of shop/space in the Market yard until the Market committee allots space as per availability after considering the existing commission agents who do not have shops (as per procedure in vogue), and that his or her application is subject to availability of sufficient space to conduct the transactions.

- (e) The applicant should declare in an affidavit that he is a sole proprietor or otherwise and he should submit a partnership copy in original registered under registration Act.

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- (f)The applicant should submit an affidavit that he should abide by the provisions of the A.P. ( Agril. Produce & Live Stock) Markets Act, 1966 and Market Rules and Bye-laws made there under from time to time.
- (g)The applicant should submit the particulars of Electronic Digital Weighting Scales as required under rule 58 of the Market Rules 1969 and to arrange adequate storage of the notified commodities and its insurance under Rule 67 of AP Market Rules, 1969.
- (h)The applicant should submit an affidavit that he him self or any of his family members in case sole proprietor or any partner or their family members in case of partnership firm that they are not the business partners with any other persons to whom a licenses is issued by the Market Committee either as a purchaser or a Commission Agent.
- (i)The Market Committee may take action to issue more no. of Commission Agent Licenses as per the requirement in order to create healthy competition among commission agents to eliminate the monopoly and to encourage them to serve farmers community in a better way duly observing above guidelines scrupulously.
- (j)The Market Committee shall not take it as an opportunity to issue commission agent License indiscriminately without assessing facts. The Market Committee shall take into account the availability of space in the Market Yard, before issue of new commission agents licenses.

( BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA  
PRADESH )

K.R. KISHORE,  
PRINCIPAL SECRETARY TO GOVERNMENT.

To

The Commissioner & Director of Agril. Marketing, A.P. Hyderabad.

Copy to:-

The Director of Printing, Stationery and Stores purchase, A.P., Hyderabad  
with a request to publish in the next extraordinary issue of the A.P., Gazette

Law (B) Department

// FORWARDED :: BY ORDER //

SECTION OFFICER.

